

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

EMIGRANT BANK AND PACIFIC
MERCANTILE BANK,

Plaintiffs,

- against -

SUNTRUST BANK, TRUIST BANK, and
DOES 1-10, inclusive,

Defendants.

ORDER

20 Civ. 2391 (PGG)

PAUL G. GARDEPHE, U.S.D.J.:

On July 9, 2015, Plaintiffs Emigrant Bank and Pacific Mercantile Bank, and Defendant SunTrust, established a \$59.5 million revolving credit and term loan facility for Our Alchemy, LLC. (Am. Cmplt. (Dkt. No. 45) ¶ 2) Our Alchemy defaulted on its obligations under the credit agreement, and later filed a bankruptcy petition. (Id. ¶¶ 6, 7) In this lawsuit, Plaintiffs allege that SunTrust, as the administrative agent under the agreement, improperly refused to pursue remedies against Virgo Investment Group, LLC on behalf of the lenders. Virgo Investment Group LLC is the parent of Calrissian LP, which is, in turn, the owner of Our Alchemy, LLC. (Id. ¶¶ 3, 102-08)

On August 5, 2016, SunTrust – in its capacity as administrative agent – brought an action against Calrissian LP and Virgo Service Company LLC in Supreme Court of the State of New York, New York County, alleging breach of contract. SunTrust Bank v. Calrissian LP and Virgo Service Company LLC, No. 654148/2016 (N.Y. Sup. Ct.). On January 2, 2024, the

New York County Supreme Court issued a default judgment finding Calrissian and Virgo Service Company LLC liable in the amount of \$71,977,685.52 plus interest. Id., Dkt. No. 113.

By **May 13, 2024**, Plaintiffs, Defendants, and Intervenor Virgo will make supplemental submissions addressing what impact, if any, the New York County Supreme Court's default judgment has on the instant case.

Dated: New York, New York
May 7, 2024

SO ORDERED.

A handwritten signature in black ink, reading "Paul G. Gardephe", written in a cursive style.

Paul G. Gardephe
United States District Judge